

RECORDATION NO. 27009 FILED

JUN 12 '07 -8 05 AM

ALVORD AND ALVORD
ATTORNEYS AT LAW
1050 SEVENTEENTH STREET, N.W.
SUITE 301
WASHINGTON, D.C.

SURFACE TRANSPORTATION BOARD

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

20036

OF COUNSEL
URBAN A. LESTER

(202) 393-2266

FAX (202) 393-2156

E-MAIL alvordlaw@aol.com

June 12, 2007

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Full Service Railcar Lease, dated as of January 18, 2007, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Lessor: Babcock & Brown Rail Funding LLC
1 Dag Hammarskjold Plaza
885 Second Avenue, 49th Floor
New York, New York 10017

Lessee: BNSF Railway Company
2500 Lou Menk Drive
Fort Worth, Texas 76131

Mr. Vernon A. Williams
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A description of the railroad equipment covered by the enclosed document is:

242 railcars within the series BNBX 120110 - BNBX 120374 as more particularly set forth in the equipment schedule attached to the document.

A short summary of the document to appear in the index is:

Memorandum of Full Service Railcar Lease.

Also enclosed is a check in the amount of \$35.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Alvord', with a long horizontal flourish extending to the right.

Robert W. Alvord

RWA/sem
Enclosures

MEMORANDUM OF FULL SERVICE RAILCAR LEASE

THIS MEMORANDUM OF FULL SERVICE RAILCAR LEASE dated as of this 18th of January, 2007, to be effective January 19, 2007, to that certain Master Full Service Railcar Lease made as of August 8, 2005, and Schedule No. 02 thereto effective January, 2007, between BABCOCK & BROWN RAIL FUNDING LLC, a Delaware limited liability company (the "Lessor") and BNSF Railway Company a Delaware corporation (the "Lessee" and together with the Lessor, the "Parties").

KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, the Lessor and Lessee have entered into that certain Master Full Service Railcar Lease dated August 8, 2005 and Schedule No. 02 thereto effective as of December 27, 2006 (hereinafter as the same may from time to time be amended, modified or supplemented, the "Agreement"), covering the equipment listed on Exhibit A hereto (the "Cars");

WHEREAS, the Parties wish to show for the public record the existence of the aforesaid Agreement, and the respective interests therein of the Parties and accordingly the Parties have caused this memorandum to be executed by their respective duly authorized officers, as of the date first above written.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto, by this instrument the Lessor hereby leases and confirms the lease of the Cars to the Lessee in accordance with the terms and conditions of the Agreement, and the Lessee confirms and accepts such terms and conditions, which are incorporated by reference as if fully set forth herein.

This Memorandum of Full Service Railcar Lease may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument

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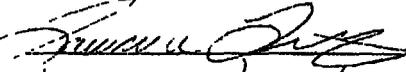
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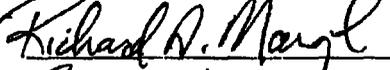
SUPREME COURT OF TRANSPORTATION BOARD

IN WITNESS WHEREOF, the undersigned has caused this Memorandum of Full Service Railcar Lease to be executed by a duly authorized officer as of the day and year first above written.

BABCOCK & BROWN RAIL FUNDING LLC, as Lessor

By: 
Name: Lawrence Littlefield
Title: Vice President

BNSF RAILWAY COMPANY, as Lessee

By: 
Name: RICHARD A. MERGL
Title: Asst. V.P. Carload Equipment

STATE OF New York)

) SS:

COUNTY OF New York)

On Jan 22, 2007, before me, Clementina Capasso, Notary Public, personally appeared LAWRENCE LITCHEL, personally known to me to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Clementina Capasso

CLEMENTINA CAPASSO
NOTARY PUBLIC, STATE OF NEW YORK
No. 01CA6120808
QUALIFIED IN NEW YORK COUNTY
MY COMMISSION EXPIRES DEC. 27, 2008

STATE OF Texas)

) SS:

COUNTY OF Tarrant)

On January 18, 2007, before me, ANTHONY M. SANCHEZ, Notary Public, personally appeared ROBERT A. PHILLIPS, personally known to me to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Anthony M. Sanchez

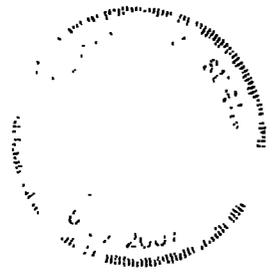


EXHIBIT A
MEMORANDUM OF FULL SERVICE RAILCAR LEASE

<u>Quantity</u>	<u>Car Description</u>	<u>Reporting Marks and Numbers</u>
Two Hundred Forty Two (242)	4520 CF Aluminum body BethGon II Coal Porter railcars, 286,000 lbs. GRL, AAR Car Type Code J311, built in 2006 by FreightCar America, Inc.	BNBX 120110-120126, inclusive; 120128-120132, inclusive; 120135- 120239, Inclusive; 120241-120265, inclusive; 120267, 120268, 120279- 120283, inclusive; 120287-120292, inclusive; 120294-120313, inclusive; 120315-120327, inclusive; 120331- 120374, inclusive.

CERTIFICATION

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: _____

6/11/07



Robert W. Alvord